# Design Sense

A MARKETING PUBLICATION 47 OF LIPPINCOTT & MARGULIES

The Youth Market:
How Accurate Is
Your Analysis?
—*Page 1*

A Most Unusual Client:
The Tax Collector
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The teeming numbers of Americans under 25 have been collectively scrutinized, weighed, dissected, gauged, computed and figuratively made to say "ah." The prognosis: health, wealth, and optimism. Their effect on the marketplace? Some marketers are literally made to say "Ah-h-h." Others are not so sure. For new perspective on young Americans as a marketing force, read on.

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# THE YOUTH MARKET:
## Adorable? Deplorable? Ignorable?

"And that, gentlemen,winds up our '67 line of can openers—except for one more model," says the Marketing Director. He pauses. The distributors and salesmen sit hushed and expectant. Even the tobacco haze in the auditorium is still.

"Here she is, men—the final member of our product family—an exciting, totally new smasheroo, geared especially for the YOUTH market."

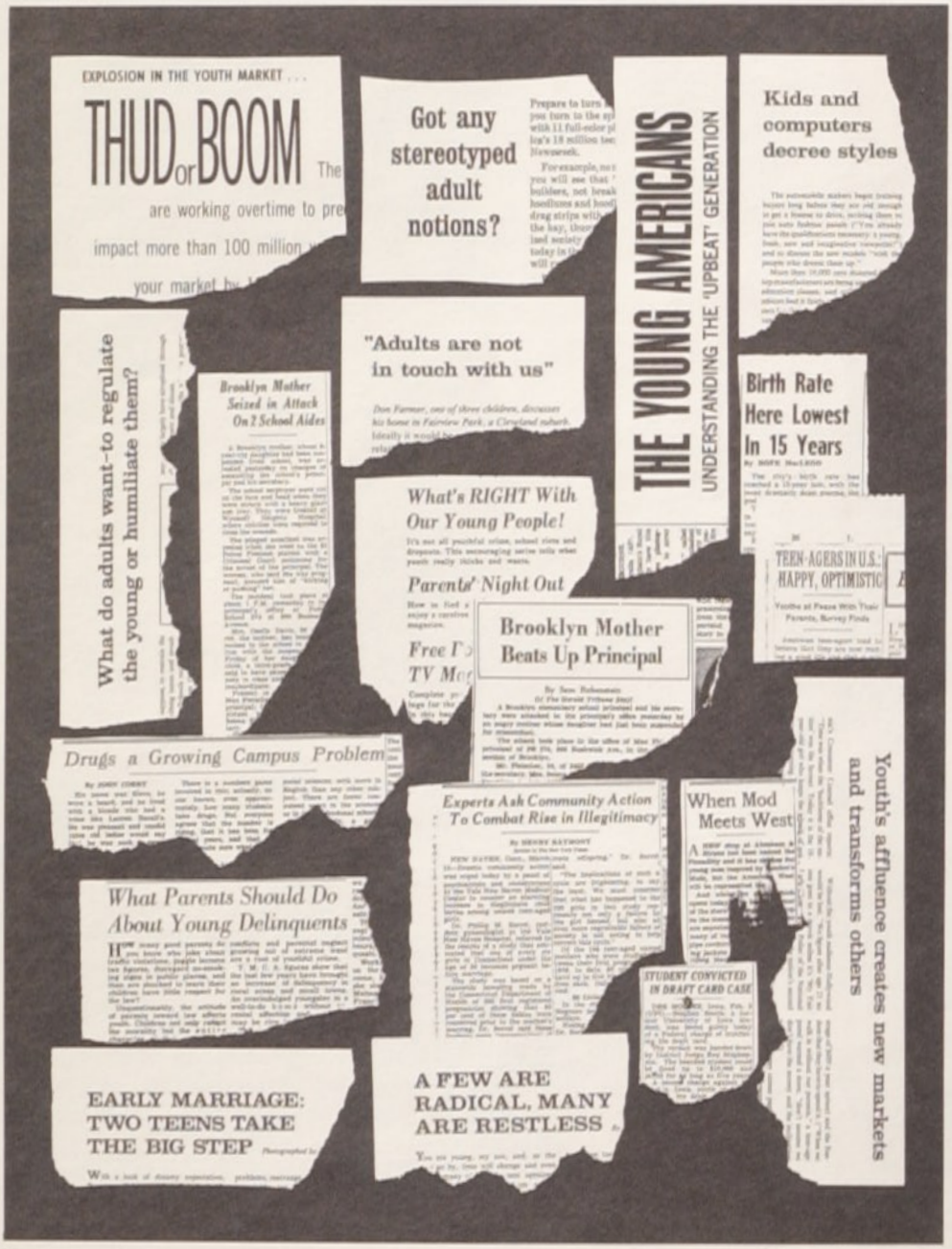
A color slide flashes on the screen and the silence is fractured by a soundtrack recording from "The Wild Ones." The new product vibrates with raw color; visually, it is a block-buster.

"That's it," exults the Marketing Director, "the one that'll lead the line and fatten your bank accounts...a real go-go product for the In crowd, in colors that the young people dig. We call it 'The Watusi'."

Spotlight beams flash and flutter across the walls and then pick up two fruggers in white boots bouncing down the aisles, arms laden with samples of the "Watusi." As they distribute the samples, the room explodes with applause, whistles, and a few Rebel yells. And thus, another product is lobbed into that mysterious Land of Promise known as the "youth market."

Elsewhere, at the same time, a Sales Vice President of an old established company fights a holding action against upstart competition. He reads a report from his Research Director, purporting to prove that the firm's deep-rooted consumer franchise is imperiled by a fuddy-duddy image. The younger consumer, the report points out, is more influential in brand preferences than anyone thought possible. The company would therefore have to change its image, its products, or both.

The Sales Vice President is irritated —especially so with the Research Director. The following week, speaking at a


EXPLOSION IN THE YOUTH MARKET . . .
THUD or BOOM
THE YOUNG AMERICANS
UNDERSTANDING THE 'UPBEAT' GENERATION
Got any stereotyped adult notions?
Kids and computers decree styles
"Adults are not in touch with us"
What do adults want to regulate the young or humiliate them?
Brooklyn Mother Seized in Attack On 2 School Aides
What's RIGHT With Our Young People!
Parents' Night Out
Birth Rate Here Lowest In 15 Years
TEEN-AGERS IN U.S. HAPPY, OPTIMISTIC
Brooklyn Mother Beats Up Principal
Drugs a Growing Campus Problem
Experts Ask Community Action To Combat Rise in Illegitimacy
When Mod Meets West
Youth's affluence creates new markets and transforms others
What Parents Should Do About Young Delinquents
STUDENT CONVICTED IN DRAFT CARD CASE
EARLY MARRIAGE: TWO TEENS TAKE THE BIG STEP
A FEW ARE RADICAL, MANY ARE RESTLESS

sales executives workshop session, he attacks the "myth of the kid consumer." Middle-aged folks still do all the spending he contends, so marketers should "drop this nonsense about the youth market."

"Sure, there are more kids than ever before" he winds up, "but let's not delude ourselves; there are also a lot more parents than ever before. So...I'm going to pitch my product to pop—to that poor patronized pillar of the economy who has been and will go on paying for our products."

Thus, another marketing strategy is determined by one executive's prejudices against the youth market.

Naturally, anyone with a stake in this market will analyze it carefully. Marketers will sift through all kinds of published material looking for understanding and possible sales leverage. Inevitably, they will run into paradoxes, half-truths, discrepancies, simple fallacies, inconsistencies, and half-baked assertions. They are led astray by misinformation issuing from ostensibly well-informed sources. To cite only one example, consider "The Young Americans," a recent "special report" book from Time-Life, Inc. In chapter six, one reads the following breathless account of teen-age love and marriage:

*"Teen-age marriages have sextupled since 1940, accounting for almost half the marriages in the U.S. every year. Many of them—more than 50 per cent—result from pregnancies. Half of the teen-age marriages end in divorce."*

Two pages later "The Young Americans" continues its wide-eyed description as follows:

*"This year, according to one survey, 45 per cent of all teen-age girls in the U.S. will be going steady, 765,000 of them will become engaged, and about half of all girls being married will be teen-agers.*

*"Why the sudden headlong race?"*, asks the nervous, middle-aged publishing house. *"What are they running from —or to?"*

Upon reading this panicky prose, any reasonable marketing man must be excused if he believes that today's teen-agers are distinctly different from earlier generations. Nor can he be blamed for believing that today's young people have an almost morbid preoccupation with sex.

What is the truth? Simply this. More teen-agers are marrying today than heretofore because there are more teen-agers. The fact that less than half of all teen-age girls will "go steady' is hardly

cause for alarm. Neither is the fact that half of all girls being married are teenagers. The pattern of courtship and marriage is not, in fact, very much different than what it was 35 years ago. This is illustrated by the following table taken from the book, "This USA" by Ben Wattenberg and Richard Scammon:

| Year | Age at First Marriage | |
|---|---|---|
| | Male | Female |
| 1930 | 24.3 | 21.3 |
| 1940 | 24.3 | 21.5 |
| 1950 | 22.8 | 20.3 |
| 1960 | 22.8 | 20.3 |
| 1962 | 22.7 | 20.3 |
| 1964 | 23.1 | 20.5 |

Richard Scammon brings the authority of the U.S. Bureau of the Census to the table; he was Bureau Director from 1960 to 1965. From the Census figures, Messrs. Wattenberg and Scammon draw the following conclusions:

"(U.S. citizens) are getting married at a somewhat earlier age....The big decrease in the age of marriage occurred between the years of 1940 and 1950—significantly, the years that showed the largest comparative income gains. Americans have always wanted to get married earlier. Now that they can afford to, they are doing so....The divorce rate is not rising, half the young marriages are not breaking up, and *there is no statistical data that will back up the claim that our moral and spiritual values are going to hell in a handbasket.*"

No, they are not going to hell in a handbasket. As many marketers know, the young marrieds are hustling to market for truckloads of consumer goods. As beginners at marriage, they might be termed the "neediest" consumer group. And while they can't afford everything they want—furniture, appliances, cars, groceries, clothes, and necessities—they can pay cash for part, borrow for another part, and buy the remainder on time. They may not follow the soundest fiscal practices but they account for the movement of a lot of merchandise.

So much for misinformation. Let us examine this youth market in detail and determine how it might influence buying decisions. In so doing, the possible ways of influencing the influentials should become manifest.

To talk "youth market" alone limits our understanding of the effects of the group. More accurately, we should speak of it as an *influence*. And by understanding the range and reach of this influence, marketing men can develop realistic strategies to exploit fully its implications and profit opportunities.

## NEEDED: RESEARCH BEYOND RAW STATISTICS

After accepting the existence of a young consumer group's influence and buying power, the alert marketer will examine his traditional marketing posture against the shifting framework of young consumer attitudes. And he will question the group's changing character. Among the questions that beg for answers are these:

**1.** How different is today's teenager from that of a generation or two ago? How do they differ in their attitudes toward such key influences as authority, religion, sex, family, and so on? Have these attitudes any marketing significance?

**2.** Has one's own remembered attitudes any relevance? Can they provide any usable guidelines for action in today's market? Does a changing world of international tension, fast communication, extra leisure time, tougher competition, et al, impinge upon today's youth to change it significantly from that of a generation ago? Have such changes any relevance to our marketing category?

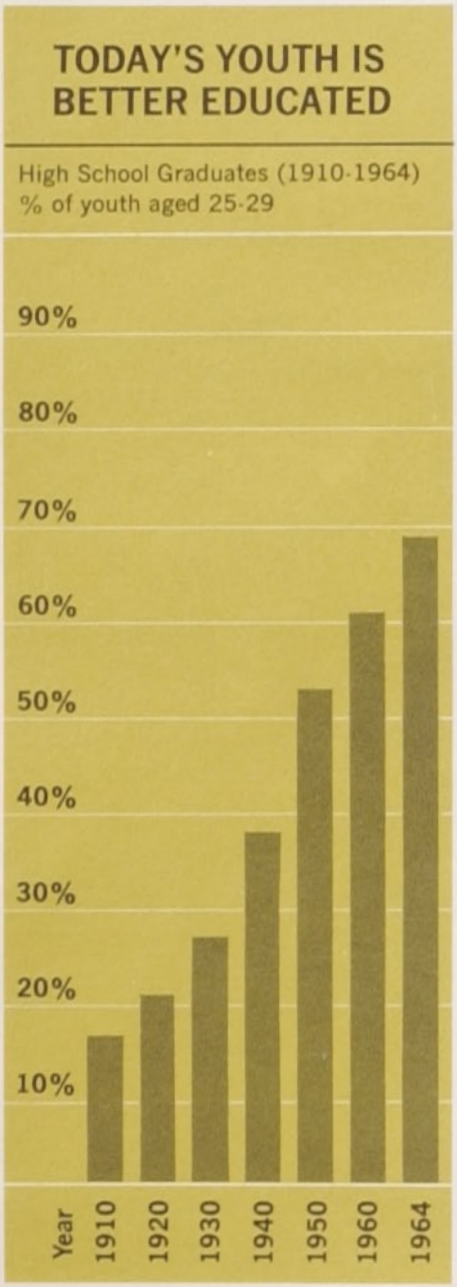
**3.** If our product is repositioned to appeal more strongly to the youth market, will sales to a more adult group be lost to any significant degree?

**4.** Are we able to communicate effectively with the teen group? Do we speak the same language—meaning ideology rather than currently popular words or expressions? Are we neglecting any effective tools of communication?

**5.** Is the youth market for my product category so strong that it deserves special effort or is my consideration of this market a kind of running-with-the-herd? Could I not spend effort more profitably by concentrating on another segment of the market?

**6.** What image has our product or company among the youth segment of the market? How important is it now? Will it be more important or less important later? Can it, or should it, be changed?

**7.** How strongly do the teenagers known to us personally color our views, opinions, and sales strategies? How typical are they of the broad population spectrum?




**1. Youth casts a strong vote in buying decisions among affluent adults.**

It is important first of all to recognize that the teenage group exists in a sphere of affluence. By this we mean that the U.S. population betwen ages 13 and 19 is largest in households with heads of family in the 35 to 44 age group. Not only do these families support the largest numbers of teenagers but, by an important conjunction, the heads of these families are in a period of peak earning power. Next in affluence and also in the number of teenagers supported are families whose chief income producer is aged 45 to 54. Combined, these two consumer segments amount to one-third of all U.S. families—*the third that wields one-half of its consumer purchasing power.*

What's more, the assertive, articulate character of today's youth gives them a strong vote in consumer purchases generally. Cars, appliances, furniture, clothing, food, and recreation all come heavily under the purview of today's teenager. At the very least, he may often veto a parent's intended purchase; at his most influential, the teenager often actively decides the brand, size, color and even the time the purchase will be made. This fact was underscored recently by Arthur Kirchner, sales manager of Chrysler's Dodge Division.

"The car market is teen-oriented," said he. "They don't buy the cars but they set the styles. I'm willing to bet that, in another year, you won't be able to buy a suit jacket with pockets."

**2. Teenagers serve as a pipeline of news and innovation from the manufacturer to the heart of the family circle.**

The lifetimes of teenagers have coincided with an acceleration of science and product technology. They know more about man-made products than about natural products. They accept, matter-of-factly, man's ability to improve on nature. Apace with their own growth, they have witnessed the debut of an arsenal of electrical appliances in the home. They have no habit patterns to overcome, for example, in accepting and using an electrical device for brushing teeth.

Their parents' attitude may have been, "If a man can do it with little effort, why build a machine?" But the teenager's unstated logic is the appliance manufacturer's dream: "If a machine can do it better, why should man bother?" On such attitudes—natural to teenagers and emulated by adults—the future market for sophisticated gadgetry of unexpected variety is being built.

Teenagers are also notoriously receptive to advertising appeals, particularly from television. Of the incredible six hours a day the average TV set in the average American household is tuned on, teenagers account for a substantial share of viewing time. The tunes they remember, the selling themes they incorporate into their argot, the product names they "dig," the campaigns they like—all find dollar-and-cents expression in the teenager's explicit influence on the family's buying patterns. New products, new styles, new consumer patterns therefore find an easy conduit to adult consumers by including appeals to influential teenagers.

**3. Teenagers are fickle; they switch preferences and confound long range marketing expectations.**

Today's teenager is fueled by a rage for experience. Its main thrust is channeled into the most creative experimentation in living modes the world has ever known. No other group in the population can perform these experiments for us. Teenagers are the only large population group with the free time, the surplus energy and sufficient money (albeit, nagged out of their parents) to try new modes of living—and indulge in the free play that leads to innovation.

But teen-age consumers, immature by definition, have short interest spans. They tumble from infatuation to infatuation, intensely involved with each only until the next seizes their attention. The result: products aimed explicitly at teenage consumers often experience comet-like lifespans, screeching into sudden prominence and followed by equally sudden extinction. The intense rate of new product development in the food industry reflects this intense brand switching. Breakfast foods, soups, beverages, vegetables, meats and desserts. Teenage girls, particularly, in families with working mothers, shop for foods and often plan the meals. Too, teenagers influence the food choices of admiring younger brothers and sisters. In sum, therefore, the notion of a youth "market" for these cascading numbers of new products is not the real issue; the influence of the teenage consumer on the family's loyalty to these products is very much so.

**4. Teenagers are new consumers; every product touched by their influence is evaluated by them as a new product.**

The peril to old, established brand should be obvious—especially in product categories falling within the teenager's web of influence. Certainly in food, and in automotive products and related categories, such as the petrol-

eum industry—established brands must contend with the implications of this influence in establishing brand preferences. Cities Service, for example, learned through consumer research that their brand name was not communicating to the younger consumer. Older consumers may fondly remember Jessica Dragonette and establish some association with the Cities Service of a bygone era of radio. Neither their teen-age youngsters nor newly married children are able to do so.

Citgo, Cities Service's new brand designation, attempts to convey a more contemporary connotation. To the younger consumer, Citgo competes on equal terms with the rest of the petroleum industry; it has changed from a "new *old* product" to a new *new* product.

The Ford Mustang perfectly exemplifies a "new *new* product" whose marketing strategy and sales reflected an astute understanding of the youth *influence*. Its rakish styling and attractive low price were immensely appealing to the younger consumer and, indeed, 28 per cent of the Mustang buyers were young—under 25. But the median age of all Mustang buyers was 35 and this indicates that the parents of many teenagers —the 35 to 44 age group—were heavy buyers, not to forget the mature people who seek a youthful image for themselves.

Ford hopes to parlay the Mustang success with a new Cougar model, while other auto makers hope to emulate Ford

## POPULATION UNDER AGE 25 (1920–1960)

Numbers alone tell an incomplete story.

While the population under age 25 has increased dramatically in recent years, this segment of the population represents much the same proportion of total population as it has in the past. Indeed, the under-25 group was a larger percentage of the total population in 1920 and 1930 than it is today.

| AGE | 1960 | 1960 | 1940 | 1930 | 1920 |
|---|---|---|---|---|---|
| Under 5 | 20,321 | 16,243 | 10,589 | 11,498 | 11,617 |
| 5 to 9 | 18,692 | 13,262 | 10,735 | 12,661 | 11,433 |
| 10 to 14 | 16,773 | 11,167 | 11,800 | 12,048 | 10,667 |
| 15 to 19 | 13,219 | 10,671 | 12,387 | 11,590 | 9,459 |
| 20 to 24 | 10,801 | 11,549 | 11,645 | 10,917 | 9,305 |
| Total | 79,806 | 62,982 | 57,156 | 58,704 | 52,481 |

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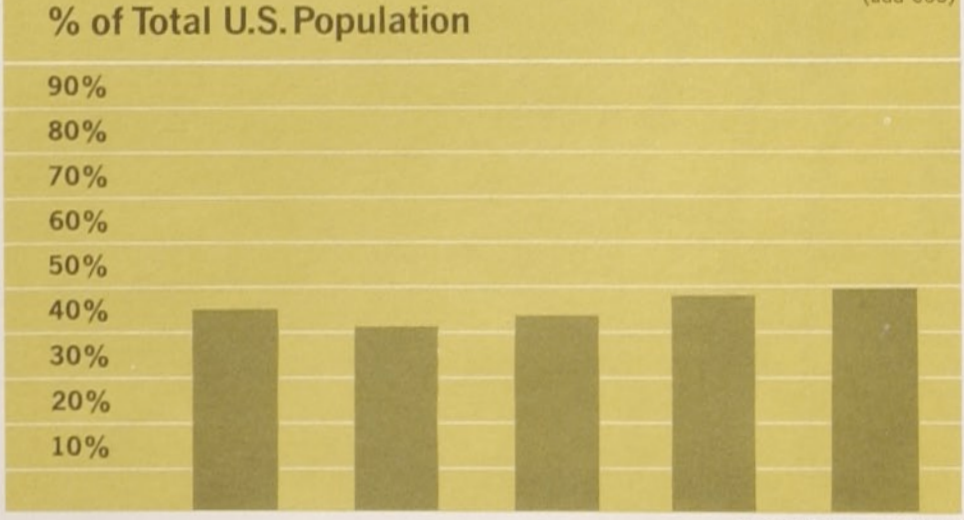



Source: Bureau of Census

with lively, young names and styling. Chevrolet is producing the Panther, Dodge is producing the Charger, and even Cadillac will produce an as yet unnamed sports model.

**5. Teenagers are our most obviously observable consumer group and therefore effectively promote conspicuous products.**

Clothing is an example and the teenage influence on the apparel field is well known.

Before World War II women's fashions were styled to look different for each age category. Today teenage styles call the tune for all categories of women's fashion merchandising. The teenage daughter starts an apparel trend her mother soon adopts.

Teenage boys, too, have their fashion preferences copied in men's clothing. Says Bruce Gimbel, President of Gimbel Brothers Department Store, "Men now want slimmer pants, trimmer suits, sharp colors, some hot shades and gaucho shirts—all of which started in the boys' business."

Another important role of the teenager is this: they are most attractive and persuasive models. They congregate in public places, making themselves seen and heard—and cause adults to notice every item they use and wear. And—for the most part—whatever the product, on them it looks good.

Companies outside the apparel field might find an exploitation of the "youthful" look a pointless one should their product have no real visibility. Venerable old savings institutions, for example, have been weaving discotheque jargon into their advertising appeals. "Why do our savers swing?" askes a 78-year old savings and loan association, under a photo of a frugging nymphet. And an investment house advertises: "If you think your investment program should be more 'Go-Go' then Dodo, you'll hit it off with Hayden Stone." It remains to be seen whether these "non-visible" products will benefit from these young-looking appeals. Braniff Airlines, too, seeks rub-off from "youth visibility" by dressing their stewardesses in futuristic Pucci apparel, and building their advertising around this dominant youthlike focus.

**6. Moving into adult life, the former teenagers carry-over some loyalties to brands of their youth; reject many.**

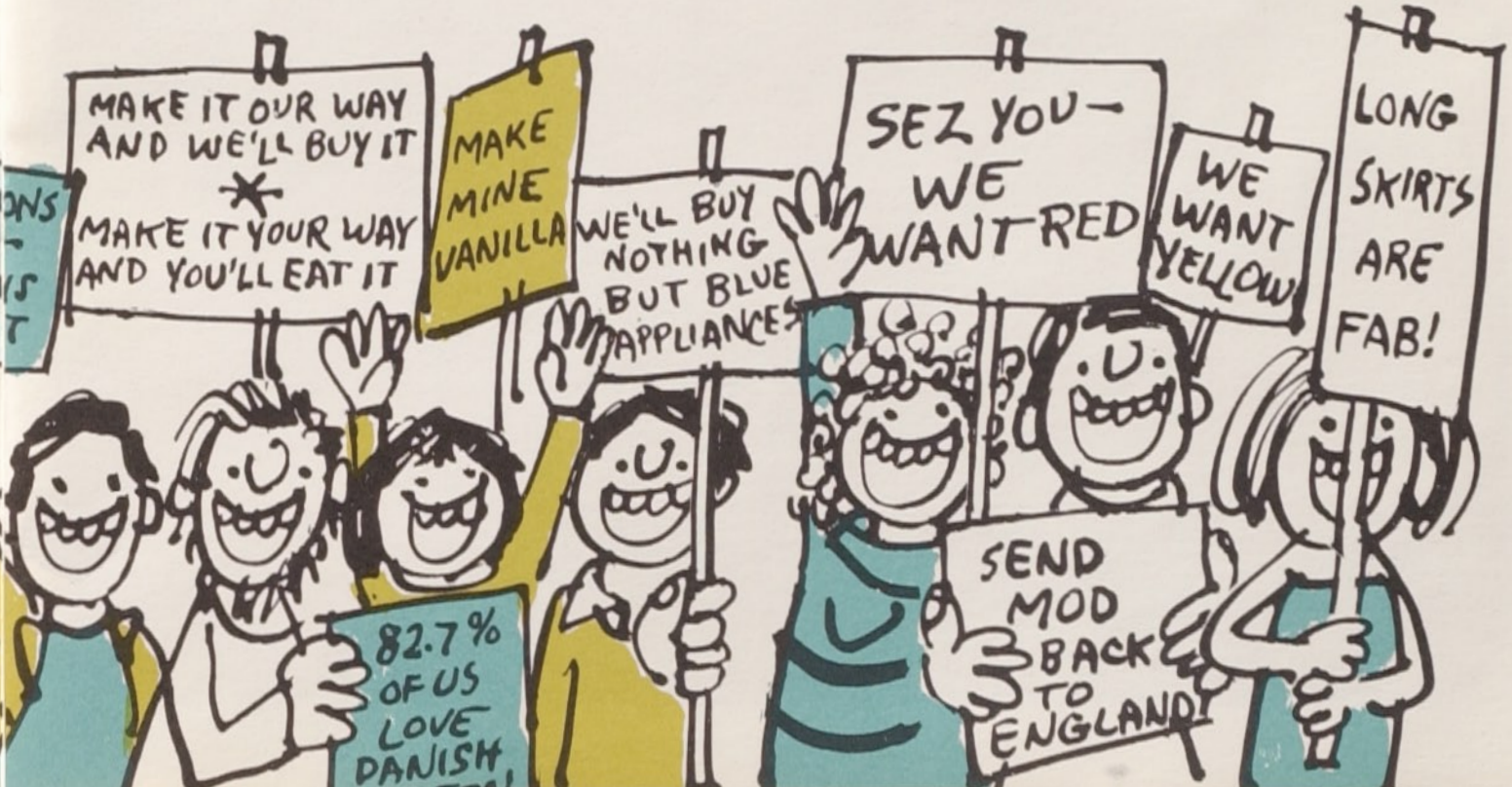
The brands teenagers favor have some chance of retaining that favor for at least a part of their adult lives. How good a chance is suggested by a two-stage study of 1,219 U.S. women aged 18 to 35. The study showed that two-thirds of the girls who used a brand for the first time during their high school years rejected it later.

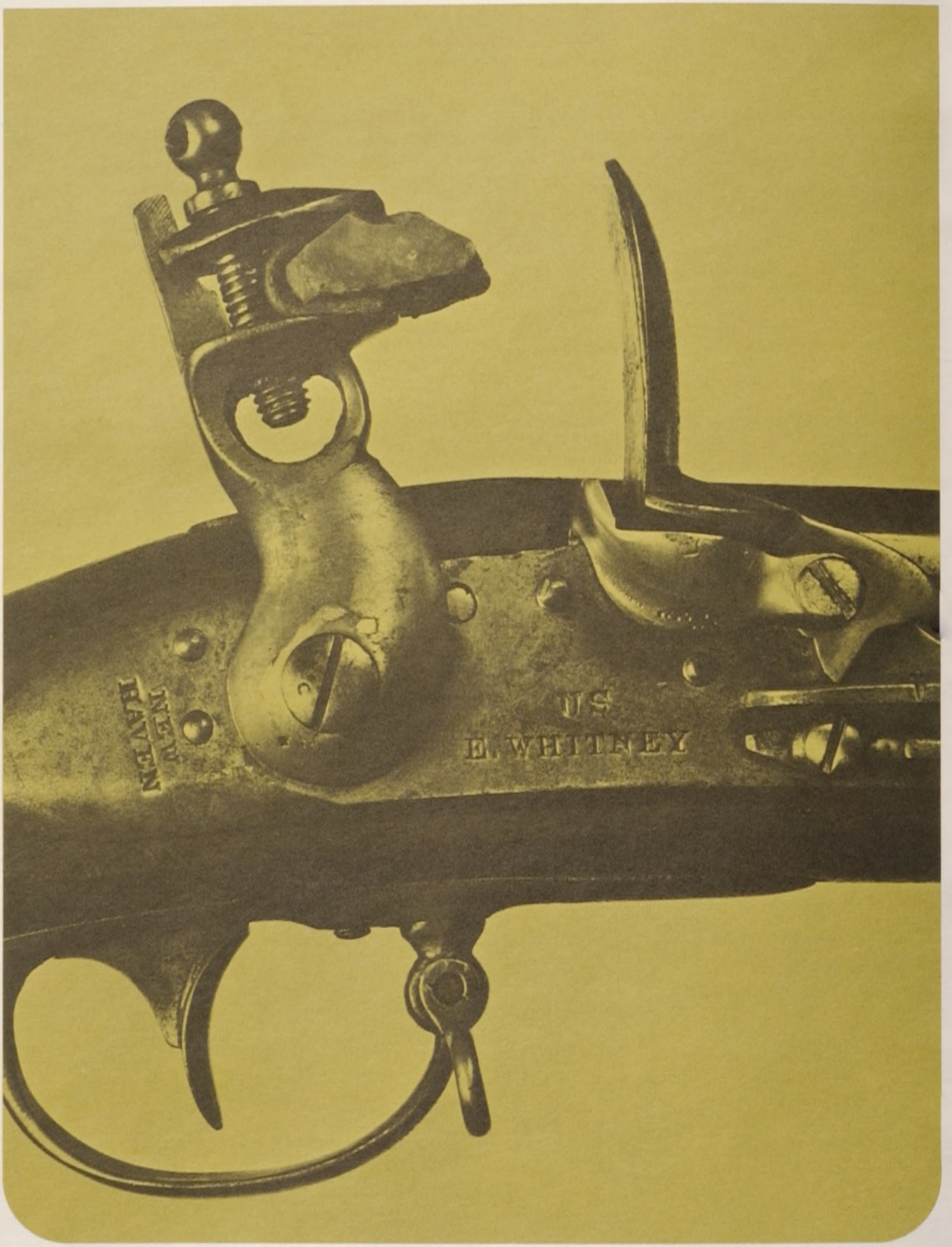
These results suggest that, while some teenagers retain product loyalty in later years, marketers should do more to strengthen it. The figures also suggest that investigation into the subject of carry-over loyalty should be a fruitful one. May not the very acceptance of a specific product by a teenager virtually guarantee a switch to a more "adult" brand as the consumer matures?

| Product Category | Per Cent Who Switched |
|---|---|
| Make-up Foundation | 67.6 |
| Hair Spray | 72.5 |
| Moisturizing or dry skin cream | 63.9 |
| Cologne or toilet water | 69.2 |
| Deodorant | 69.1 |
| Lipstick | 68.8 |
| Shampoo | 68.7 |
| Perfume | 64.0 |
| Cleansing creams or lotions | 59.8 |
| Facial soap | 64.2 |
| Face powder | 58.6 |
| Nail polish | 59.5 |

The kids are here to stay—and marketers may as well learn to trade with them. If they haven't much money of their own—and they have *some* (collectively $11-billion annually)—they influence an estimated $30-billion worth of brand decisions by others.

Generalizations rarely solve specific marketing problems. *Indeed, they can be more dangerous than helpful.* And so, while the foregoing gives reasons for not dismissing the youth influence in marketing plans, it avoids prescribing panaceas for marketers who seek to maintain a franchise with the young. Seasoned marketers, knowing the impossibility of fitting all product categories into a general set of rules, seek none but set their own guidelines.


MAKE IT OUR WAY AND WE'LL BUY IT
*
MAKE IT YOUR WAY AND YOU'LL EAT IT
MAKE MINE VANILLA
WE'LL BUY NOTHING BUT BLUE APPLIANCES
SEZ YOU— WE WANT RED
WE WANT YELLOW
LONG SKIRTS ARE FAB!
82.7% OF US LOVE DANISH
SEND MOD BACK TO ENGLAND


NEW
HAVEN
US
E. WHITNEY

# THE INNOVATOR

*His production of mechanical devices from interchangeable parts led to mass fabrication by assembly-line techniques and helped kindle the fires of the Industrial Revolution*

The writers of American history have dealt a harsh blow to Eli Whitney. Due to their assessment of him, Whitney looms in most people's minds as the inventor of the cotton gin. While undeniably important, it was not thought by Whitney to have been his most important contribution. And indeed it was not.

Eli Whitney termed his big idea "uniformity." Industrialists of a later day called the technique by the more descriptive "interchangeability of parts." It refers to his prototype system of mass production. With crude guides, gauges, and templates, Whitney helped move America from the pastoral economy toward one of abundance. Thus, he is a notable precursor of today's marketer.

In Whitney's day, war with France threatened and the government armory in Massachusetts could produce less than 4,000 muskets a year. Whitney drove to Philadelphia, then the American capitol, with what looked like a box of spare gun parts. Before the astonished eyes of the Secretary of the Treasury, Oliver Wolcott, Whitney selected parts at random and assembled ten muskets. Every part fit every musket.

The government drew up a contract with Whitney for 10,000 muskets to be delivered in two years—too little time for an untested production method.

Time was only one of his problems. He needed money. Yellow fever caused his raw materials to be held in quarantine. His water power froze. He finally completed the job six years late and netted only $2,400. In short, he failed.

Yet industry was never again to be the same. Whitney's techniques became widely used. And marketing men make no mistake in celebrating him as "the grandfather of the nine million car year" since he introduced a basic method of mass production and marketing.

A tax collector in Rome's Early Empire period traveled much and did little paper work. This sandstone relief shows him accepting coins.

# 1040 and all that

If you read a newspaper account of how a secret agent foils the enemy by swallowing a scratchy bit of microfilm, the chances are you'll not worry about who pays for the microfilm. And when a meteorologist journeys in early spring into the mountains to measure the depth of remnants of winter's snow, no one thinks of who will pay for his measuring stick; we're concerned only with the effects of snow on next summer's water supply. The fact is that we take for granted that someone will buy rulers for meteorologists and microfilm for secret agents as well as the hundreds of thousands of other items a government needs to get along in this increasingly complex world of ours. And, as the taxpayers who foot the bill, we rarely if ever think of the quality, variety, magnitude and volume of things our tax dollars buy.

Today, the major element in our federal revenue system is the "individual income tax." First imposed in 1916-17, it now accounts for more than half the total taxes collected. And tax collection in the U.S. is a complex business; 1964 revenues exceeded 120 billion dollars—more than the combined annual gross sales of the top 35 U.S. industrial corporations. In providing fiscal fuel for the nation, the Internal Revenue Service has a formidable task. And like many corporations, the IRS knows its objectives can be reached more easily with a favorable rather than unfavorable image.

Generally speaking, income taxes rest on the popularity scale somewhere between an old maid chaperone on a hayride and heavy rain on the Fourth of July. No one denies their necessity to our day-to-day comfort and safety however. The great jurist Oliver Wendell Holmes put it this way: "Taxes are what we pay for civilized society," wrote he.

How do you make income taxes likeable? Chances are you can't. At least not completely—according to a study conducted by Lippincott & Margulies. Most Americans, we discovered, admire the F.B.I., the State and Defense Departments, and more recently, the National Aeronautics and Space Administration. That's where the "glamor" is. Traditionally, thoughts of the Internal Revenue Service—the agency that makes the other services possible—are colored by a person's disaffection for his tax bill.

As marketers know, every organization that deals with the public has an "image"—and this image is the total of impressions, both verbal and visual, which exist in the mind of the public. And, the image springs from emotions as well as reason. Each year, some 60 million indelible "impressions" of the Internal Revenue Service take shape as the taxpayer pulls the IRS booklet from his mailbox, glances at the cover, and flips through it. What impression have tax forms created in the past? IRS Commissioner Sheldon S. Cohen says, "the appearance of government tax forms, heretofore, has often frightened and discouraged many taxpayers." To improve this situation, the IRS retained Lippincott & Margulies, charging us "to study, evaluate, and redesign the 1965 tax forms—if and where it could be demonstrated that the changes would be helpful to the public, and increase IRS efficiency." The project was not extraordinary; L & M's staff had extensive experience in redesigning more detailed forms and developing marketing communications systems for the Royal Bank of Canada, New York Life Insurance Co., and Aetna Life and Casualty, among others.

Underlying the IRS assignment was a recognition that, even if taxation can't be made more palatable, *tax collection should reflect good management practices; the forms used should be easily*

**The collection of over $160-billion annually takes more than the ability to count.**
**It requires set office procedures and bookkeeping routines, record keeping and data processing. It also requires an easily understood, easy-to-use, simple-to-process Federal Tax Return. Here's how the 1965 forms got that way.**

Form **1040**

# U.S. Individual Income Tax Return

for the year January 1–December 31, 1965 or other taxable year beginning ....., 1965, ending ....., 19..... US Treasury Department—Internal Revenue Service

**1965**

▼ Attach Copy B of Form W-2 here ▲

First name and initial (If joint return, use first names and middle initials of both) | Last name | **Your social security number** (Husband's if joint return)

Home address (Number and street or rural route) | Your occupation & present employer

City, town or post office, and State | Postal ZIP code | **Wife's number, if joint return**

Enter the name and address used on your return for 1964 (if the same as above, write "Same"). If none filed, give reason. If changing from separate to joint or joint to separate returns, enter 1964 names and addresses. | Wife's occupation & present employer

**Filing Status**—check one:

1a ☐ Single

1b ☐ Married filing joint return (even if only one had income)

1c ☐ Married filing separately. If your husband or wife is also filing a return give his or her first name and social security number.

1d ☐ Unmarried Head of Household

1e ☐ Surviving widow(er) with dependent child

**Exemptions**

| | Regular | 65 or over | Blind |
|---|---|---|---|
| 2a Yourself | ☐ | ☐ | ☐ |
| 2b Wife | ☐ | ☐ | ☐ |

Enter number of exemptions checked ▶▶▶

3a First names of your dependent children *who lived with you* .....

Enter number ▶▶▶

3b Number of other dependents (from page 2 Part I, line 3)

4 Total exemptions claimed . . . . . ▶▶▶

**Income** If joint return, include all income of both husband and

5 Wages, salaries, tips, etc. If not shown on attached Forms W-2 attach explanation . ▶

6 Other income (from page 2, Part II, line 9) . . . . . ▶

7 Total (add lines 5 and 6) . . . . . .

8 Adjustments (from page 2, Part III, line 5) . . . . . ▶

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FORM 1040

U.S. Treasury Department
Internal Revenue Service

# U.S. INDIVIDUAL INCOME TAX RETURN—1964

or taxable year beginning ....., 1964, ending ....., 19.....

**Your social security number** (Husband's if joint return)

Please Print or Type

First name and initial (If joint return, use first names and middle initials of both) | Last name | Occupation

Home address (Number and street or rural route) | **Wife's number, if joint return**

City, town or post office, and State | Postal ZIP code | Occupation

Enter the name and address used on your return for 1963 (if the same as above, write "Same"). If none filed, give reason.

NOTE.—Married taxpayers: If you are changing from filing separate returns to a joint return or from a joint return to separate returns, enter names and addresses from the 1963 joint or separate returns. | **See instructions before completing your return.**

**FILING STATUS**—check one:

1a. ☐ Single

b. ☐ Married filing joint return (even if only one had income)

c. ☐ Married filing separately. If your husband or wife is also filing a return give his or her first name and social security number.

d. ☐ Unmarried Head of Household

e. ☐ Surviving widow(er) with dependent child

**EXEMPTIONS**

| | | | Enter number of boxes checked |
|---|---|---|---|
| 2a. Regular | ☐ Yourself | ☐ Wife | → |
| b. Age 65 or over | ☐ Yourself | ☐ Wife | |
| c. Blind | ☐ Yourself | ☐ Wife | |

3a. Number of your dependent children *who lived with you*

b. Number of other dependents (from line 3, Part I, page 2)

4. Total exemptions claimed →

**INCOME**—If joint return, include all income of both husband and wife

W-2 Here ●

5. Wages, salaries, tips, etc. If not shown on attached Forms W-2 attach explanation . . . . . ● $

6. Other income (from line 9, Part II, page 2) . . . . . ●

7. Total (add lines 5 and 6) . . . . . .

8. Adjustments (from line 5, Part III, page 2). . . . . ●

9. Total income (subtract line 8 from line 7) . . . . . ●

*understood and filled-in by everyone.*

As one of continuing measures to facilitate the job of collection, Commissioner Cohen launched a long-range program to improve not only the tax forms, but all IRS literature, letterheads, and building identification emblems as well. In his words, the old forms had become "devils to deal with" because no one ever stopped to design them. They grew as the tax laws grew. And most people felt the IRS forms were notoriously hard to decipher.

The redesign of the tax form, like all graphic design efforts, embodied unique problems and limitations. Some of the more unusual problems faced by the IRS and L & M team were:

- The bulk of the forms had to be printed on the high-speed presses at the Government Printing Office—which also prints the daily Congressional Record. These presses are available to the IRS only *after* Congress adjourns (which is often an unpredictable date). And since Congress has the authority to revise tax laws, right up to the end of its session, last minute changes in the IRS tax forms are always an unnerving possibility. With such tight deadlines, a *complete* revision of all tax forms and related instruction sheets was out of the question as it had to be spaced over a period of years.
- The GPO printing equipment itself imposed certain restrictions. Not always can a designer use type faces and design elements he would prefer. He must consider the printing equipment available —its speed, the size of the job, the age of the equipment, and so forth.
- 60 per cent of all tax forms are filled out on a typewriter. All lines and spaces had to be adjusted to provide for typewritten letter-forms and spacing.
- The mandatory information categories of past years could not be condensed, discarded, or altered substantially.

In many respects, the tax form resembles a deck of cards. Each of the 52 cards is so vital to the others that not one card can be eliminated without destroying the relationship among the remaining 51. The U.S. tax law is no simple thing; its complexity is inevitably reflected in the tax forms. Nevertheless, some significant changes have been made:

- Type faces are cleaner, larger, and more legible. And the number of different type faces used on a page has been reduced to give the forms a less cluttered look. The forms will be easier to use and result in fewer errors.
- Horizontal lines now separate the form into logical, easy-to-read segments. The form contains basically the same questions as last year's, in much the same order and words. But the placement of text and white space has been arranged to make it simpler to follow and visually easy on a taxpayer's eyes.
- The words "sign here" are larger because the IRS found that many people overlooked this simple but important request.
- To facilitate finding the right form, the figures 1040 and 1040A have been enlarged. And the year 1965 now appears in heavy bold face in the upper right hand corner to eliminate the possibility of the taxpayer using an outdated form. It also helps auditors pinpoint a return among a stack of similar returns from previous years.
- A practical innovation is a new printed address label being used in certain IRS regions this year. It can be peeled off one form and applied to another in case the taxpayer decides to use a different form, or if he spoils one. This printed label, bearing the taxpayer's name, address, and account number, avoids confusion due to illegible writing or copying mistakes. In past years, many people transposed figures when copying their tax account numbers. This resulted in additional correspondence and delayed payments or refunds.
- Tax tables have been compressed to three (from five) with the belief that errors in finding the amount due will decrease. And for the first time, the IRS will provide states' sales and gasoline tax tables.
- Eventually, all taxpayer information will be fed to giant regional computers.

Early Romans paid many taxes: local sales, property (estate and slaves), and taxes on crops and roads. The state, in turn, gave protection, built aqueducts, roads, protective walls and promoted trade. Rome had its share of eccentric administrators but it also had brilliant rulers whose contributions to the art of government benefit today's taxpayers.

Under the feudal system of the Middle Ages, serfs paid rent-like dues to their lords. This assured his defense of their personal possessions.

In the mid-1700's, an English property owner could figure his tax bill by simply walking around his cottage and counting windows. Taxes at that time were directly proportionate to the number of windows in a house.

And in the 19th Century, a man's tax bill was, in part, determined by the number of carriages, slaves, and clocks he owned.

U.S. Treasury Department Internal Revenue Service
Official Business

# 1965

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POSTAGE AND FEES PAID Internal Revenue Service

## A Special Message for Taxpayers

Every year more than 60 million individuals demonstrate their faith in America by filing income tax returns. The season has rolled around again and we are sending you this package of forms and instructions to help you do this.

There have been no basic changes in the law and therefore you will find few differences from last year's forms. One exception is that the recent "medicare" legislation added physicians to all of the other business and professional people who pay a "self-employment" tax along with their income tax, in order to qualify for social security benefits.

We have tried to make this year's form easier to read and more attractive by using more modern type and arrangement. Also, we have rearranged the tax tables in the instructions to make it easier for you to find the correct tax.

Our automatic data processing system has continued its steady progress and this year more returns will be processed electronically than ever before. This system promises more uniform application of our tax laws.

More improvements also have been made in the use of information from payers of dividends, interest, and other income so as to lessen mistakes in reporting such items. It has been very gratifying to see how much improvement has been made by citizens as they have become better acquainted with these responsibilities. Other points that need your special attention are:

NAME AND ADDRESS—If your return form is not preaddressed, be sure you enter your name and address correctly.

COPY YOUR SOCIAL SECURITY NUMBER exactly as it appears on your account card.

BE SURE TO FILL OUT EACH ITEM on the form which applies to you. Please be accurate and follow the instructions.

ATTACH FORMS W-2 to your return. If not available, please explain.

BE SURE TO SIGN YOUR RETURN.

BE SURE TO FILE EARLY—before the April 15 deadline. A hastily prepared return may have errors.

We appreciate your efforts toward good compliance and we are proud of this nation's record in this area. If you have any questions, please write or call your nearest district office.

Sheldon S. Cohen

Commissioner of Internal Revenue

INTERNAL REVENUE SERVICE

## Federal Income Tax Forms for 1965

Tax Returns (Form 1040)
Other Income and Credit Schedules
Business Schedules
Capital Gains Schedules
Estimated Tax Forms (1966)

**"The old tax forms were frightening, discouraging, and had become the devil to deal with".**
*IRS Commissioner Sheldon Cohen*

**U.S. TREASURY DEPARTMENT**
**INTERNAL REVENUE SERVICE**
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POSTAGE AND FEES PAID
INTERNAL REVENUE SERVICE

### *A Special Message for Taxpayers:*

Your 1964 forms and instructions have been revised in accordance with the Revenue Act of 1964 which reduced tax rates and provided a minimum standard deduction.

Many other changes have been made to conform to the new legislation which provided:

Higher ceilings on charitable contributions and the retirement income credit;

Benefits for persons 65 or over on medical expenses and sales of their residences;

Deductions for moving expenses;

Restrictions on the sick pay exclusion and the deduction for taxes paid;

An increase in the dividends exclusion and a decrease in the dividends received credit; and

An averaging system to moderate the effects of unusual increases in income.

During the past year, continued progress has been made in installing our Automatic Data Processing system, and some parts of the system are now operative in all of the 50 States. This system is designed to give you better service and more efficient and effective enforcement of the tax laws. Our aim is to make sure that everyone pays his share—and no more—of the cost of keeping America safe, prosperous, and healthy.

For your own protection and to promote fast, accurate processing of your return, please watch these points—

NAME AND ADDRESS—If your return form is not preaddressed, be sure you enter your name and address correctly.

COPY YOUR SOCIAL SECURITY NUMBER, exactly as it appears on your account card. This number is important to rapid processing of your return and to identifying your tax affairs.

BE SURE TO FILL OUT EACH ITEM on the form which applies to you. Be accurate. Follow the instructions. List all income such as wages, dividends, interest, etc. Take all allowable deductions.

ATTACH FORMS W-2 to your return. If not available, please explain.

BE SURE TO SIGN YOUR RETURN.

FILE EARLY—before the April 15 deadline.

These instructions cover the most common aspects of the tax laws and regulations. If you have questions, telephone or visit any Internal Revenue Office. We will be glad to help you.

COMMISSIONER OF INTERNAL REVENUE

# *Federal Income Tax Forms for 1964*

Tax Returns (Form 1040)
Other Income and Credit Schedules
Capital Gains Schedules
Estimated Tax Forms (1965)

Before this happens, information must be transferred from tax form to punch card to magnetic tape and, for this reason, vital information on the new return has been "flagged" so clerks and auditors can spot it more quickly.

These new design changes make the taxpayers' work a little easier while offering substantial benefits to the IRS as well. Most importantly, they will help reduce errors and speed up processing. This is no small matter. More than two-thirds of all mistakes in arithmetic favor the taxpayer—and result in an underpayment of taxes. For example, the IRS checked about 3.5 million individual tax returns in a recent year and found them $839-million short.

The newly designed tax forms — the 1040 and 1040A—are only the first of many changes Commissioner Cohen wants made. Because of early deadlines, changes in the 1965 forms were limited to the instruction booklet cover and the first two pages of the tax forms. These are the pages most taxpayers use.

Among the changes considered—but rejected—was the use of colored paper and inks. Such a change could increase legibility, lessen eye fatigue, and permit quick visual identification through color-coding of IRS printed material. But:

■ A change to colored paper would increase costs by $150,000 to $200,000. Changing from black ink to color would add still another $50,000 to the bill.

■ The new variables of colored ink and paper stock would add new problems to the already critical printing schedule.

■ Finally, many office copying machines have trouble reproducing colors.

The negative factors outweighed the advantages at this time and L & M recommended against colored stock and ink without additional study of the move.

In one other noteworthy alteration, IRS' symbolic eagle on the cover of the tax instruction booklet replaces a fussy, old-fashioned seal that Commissioner Cohen termed "cluttered and archaic-looking." The old seal featured a dotted shield, a key, a set of scales, a fancy ribbon bow, some hanging flowers, and thirteen stars. The new symbol represents what Commissioner Cohen and L & M believe the IRS to be. L & M selected the elements felt to be most significant in symbolizing the IRS services—a strong linear, stylized treatment of the eagle, sleek and unbureaucratic looking; a wreath; and the scales of justice.

Commissioner Cohen, who hopes that the new symbol will become widely identified with the IRS, believes the old seal to have been almost indistinguishable from those of other government agencies. Eventually, the stylized eagle may identify the IRS on all the agencies' literature and properties. While its "new look" may not make it exactly loveable, the IRS hopes that people will start thinking of it as modern and vital.

# afterthoughts

If Booth Tarkington
were to write *Seventeen* today,
he'd have to call it *Twelve*.
—*Anon*

The excesses of our youth
are draughts upon our old age,
payable with interest,
about thirty years after date.
—*Charles C. Colton*

It is useless to warn
young people about the dangers
of using up life in their youth.
They merely retort that
you do not know how terrible it is
to be young at a time like this.
—*Russell Baker*

College years
are the only vacation a boy gets
between his mother and his wife.
—*Anon.*

Between those who worship
the "youth market" and those who
deny its presence,
a rich middle ground
of marketing possibilities remains
grossly misunderstood.
—*The Editors*

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